



U.S. DEPARTMENT OF ENERGY
Office of Electricity Delivery and Energy Reliability
Infrastructure Security and Energy Restoration

ENERGY ASSURANCE DAILY

Friday Evening, June 10, 2016

Electricity

DTE's 1,089 MW Fermi Nuclear Unit 2 in Michigan Reduced to 82 Percent by June 10

On the morning of June 9 the unit was operating at full power.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2016/>

Dynegy's 290 MW Hennepin Power Station in Illinois Transitions to PJM June 9

Dynegy Inc. on Thursday executed agreements with the PJM System Operator and the Midwest Independent System Operator (MISO) to move the vast majority of Dynegy's Hennepin Power Station's energy and capacity to the PJM market from MISO. Per the agreement, 260 MW of Hennepin's 290 MW capacity will be available for sale into PJM effective June 1, 2017.

<http://www.dynegy.com/news/news-release?newsurl=http%3A%2F%2Fphx.corporate-ir.net%2Fphoenix.zhtml%3F%3D147906%26amp%3Bp%3DRssLanding%26amp%3Bcat%3Dnews%26amp%3Bid%3D2176681>

Petroleum

Update: Magellan Midstream to Restart Segment of Its Orion South Refined Products Pipeline in Texas by Week of June 20

Magellan Midstream Partners expects to restart its refined products pipeline from Houston to Frost, Texas by the week of June 20, a spokesman said on Thursday. The company is replacing a segment of the line in Spring, Texas where flooding caused washout conditions, exposing the line, the spokesman said.

Reuters, 9:55 June 10, 2016

Magellan Says Repairs on Its 30,000 b/d Product Pipeline in Kansas to Take 'Several Weeks'

Magellan Midstream Partners expects repairs on a refined products pipeline from Coffeyville, Kansas to Kansas City, Kansas to take several weeks, a spokesman said on Friday. Magellan on June 7 said it suspended service on the pipeline after heavy rainfall caused erosion and exposed a segment of the pipeline. CVR Refining reduced production at its 115,000 b/d refinery in Coffeyville due to the pipeline suspension, the refiner said earlier this week. Magellan does not expect any supply outages at its facilities in Kansas City or elsewhere in the state as a result of the outage.

Reuters, 10:38 June 10, 2016

Output at Total's 225,500 b/d Port Arthur, Texas Refinery Not Expected to Be Affected by SRU Outage June 9 – Sources

The outage of a sulfur recovery unit (SRU) on Thursday was not expected to affect production at Total SA's Port Arthur, Texas refinery, Gulf Coast market sources said. A Total spokeswoman declined on Thursday to discuss operations at the Port Arthur refinery when asked about the SRU outage. The refinery routinely operates with one of three SRUs on standby mode, which is the status of SRU 4 after the shutdown of the SCOT 4 unit, which boosts the efficiency of sulfur recovery by the SRU, the sources said. According to a notice the refinery filed with the Texas Commission on Environmental Quality, there was a malfunction in the SCOT-4 unit forcing its shutdown.

Reuters, 8:10 June 9, 2016

Update: Citgo's 163,000 b/d Corpus Christi, Texas Refinery Works to Restore Normal Operations June 9 after Power Interruption June 8 – Sources

Citgo Petroleum on Thursday was working to restore normal production in the East Plant of its Corpus Christi, Texas refinery, sources familiar with plant operations said, after power was lost to multiple units following a transformer failure on Wednesday. The refinery was in the process of synchronizing the units, which were back in operation, to return to normal production, the sources said. Due in part to the power outage, Citgo delayed the start of an overhaul of a 69,000 b/d hydrotreater, which completed a seven-week overhaul on May 30.

Reuters, 6:21 June 9, 2016

Tesoro Says Unplanned Work Complete at Its 166,000 b/d Martinez, California Refinery June 9

Tesoro Corp on Thursday said unplanned maintenance was completed and operations were normal at its Martinez, California refinery.

Reuters, 5:44 June 9, 2016

U.S. Oil Drillers Add 3 Rigs Bringing Total to 328 June 10 – Baker Hughes

U.S. drillers added three oil rigs in the week to June 10, bringing the total rig count up to 328, compared with 635 a year ago, Baker Hughes said on Friday.

Reuters, 1:04 June 10, 2016

Natural Gas

Regency Reports AGI Compressor Shut at Its 290 MMcf/d Waha Gas Plant in Texas June 9

Regency reported the acid gas injector (AGI) compressor shut on low suction due to an amine system pressure swing. Proper pressures were established in the amine system and the AGI compressor was reset and restarted.

<http://www2.tceq.texas.gov/oce/eei/index.cfm?fuseaction=main.getDetails&target=235413>

Other News

Nothing to report.

International News

Update: French Workers Suspend Strike at CIM Oil Port Terminal and Total's Donges, Feyzin Refineries June 10 – CGT Union

French CGT union workers have suspended their strike at Total's 220,000 b/d Donges and 117,000 b/d Feyzin refineries, but the strike at the company's 247,000 b/d Gonfreville refinery in Normandy will continue until June 15, two union officials said. Workers at the Donges refinery voted on Friday to suspend the strike until June 14 and preparations to restart operations will commence on Friday evening. Additionally, a union official said workers at the CIM oil port terminal in Le Havre in northern France, which handles about 40 percent of French crude imports, have also suspended their strike and will resume work on Friday evening. The three-week oil sector strike, part of a nationwide rolling protest against a planned government labor reform, led to a temporary production halt at refineries, blockades at oil ports, depots and terminals, and a fuel supply disruption across France.

Reuters, 10:25 June 10, 2016

Reuters, 10:53 June 10, 2016

ENI, NPDC Pipelines Attacked in Nigeria's Niger Delta June 10

ENI's Obi Obi Brass pipeline and the Nigerian Petroleum Development Company's (NPDC) pipeline at Sanomi Creek both in the Niger Delta region were attacked early on Friday, the militants and a security official said. The Niger Delta Avengers militant group earlier claimed responsibility for the attacks via its Twitter feed. Nigeria's oil output has fallen to a 20-year low due to a series of attacks on oil pipelines in the southern Niger Delta, in the last few months.

Reuters, 10:22 June 10, 2016

Reuters, 2:14 June 10, 2016

Oil Demand Boosted As Global Refinery Capacity to Reach Record

Oil demand is set to surge in the short-term as refining capacity hits a record, according to data from Thomson Reuters Eikon. The data shows that available global capacity to refine oil into fuels like gasoline, diesel, or jet and shipping fuel, will reach 101.8 million b/d in August, the highest on record, and up from about 97.25 million b/d in March. Of this capacity, at least 80 million to 85 million b/d will be utilized over the upcoming northern hemisphere summer months, several refiners and oil traders estimated, triggering strong demand for crude oil as a feedstock, pushing up prices.

http://www.rigzone.com/news/oil_gas/a/145015/Oil_Demand_Boosted_As_Global_Refinery_Capacity_To_Reach_Record

Energy Prices

U.S. Oil and Gas Prices			
June 10, 2016			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	49.04	48.64	61.31
NATURAL GAS Henry Hub \$/Million Btu	2.31	2.30	2.81

Source: Reuters

Links

This Week in Petroleum from the U.S. Energy Information Administration (EIA)

<http://www.eia.gov/oog/info/twip/twip.asp>

Updated every Wednesday.

Weekly Petroleum Status Report from EIA

http://www.eia.gov/oil_gas/petroleum/data_publications/weekly_petroleum_status_report/wpsr.html

Updated after 10:30 AM & 1:00 PM ET every Wednesday.

Natural Gas Weekly Update from EIA

<http://www.eia.gov/oog/info/ngw/ngupdate.asp>

Updated after 2:00 PM ET every Thursday.

ENERGY ASSURANCE DAILY

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<http://www.oe.netl.doe.gov/ead.aspx>

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